



An Coimisiún um  
**Rialáil Cumarsáide**  
Commission for  
**Communications Regulation**

# Review of Postal Universal Service Provider Designation(s) after 1 August 2023

Submission to public consultation 23/26

**Submission to Consultation**

**Reference:** ComReg 23/53s

**Date:** 15/06/2023

**An Coimisiún um Rialáil Cumarsáide**  
**Commission for Communications Regulation**

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## Submission Received from Respondent

Consultation:	23/26
Response to Consultation:	23/53, D03/23

# Content

## Section

1. An Post

# 1 An Post

Reference: Submission re ComReg 23/26  
Deadline: 5pm, Thursday 20 April 2023  
To: By email: [retailconsult@comreg.ie](mailto:retailconsult@comreg.ie)  
Date: 20 April 2023

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## Postal Universal Service Provider Designation(s) after 1 August 2023

Consultation on Step 2: Which postal service provider(s) should be designated and for what duration(s)?

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### Introduction

1. On 21 March 2023, ComReg published a public consultation document on its universal service provider ("USP") designation process seeking views on its draft decisions to designate An Post as USP to provide the entire universal postal service for the entire State for a period of three to five years from 2 August 2023.
2. An Post notes that ComReg refers to the "basic" nature of the universal postal service obligation ("USO"); however, the USO must evolve in line with reasonable user needs while continuing to guarantee the provision of postal services for all users.
3. ComReg poses three questions in particular which will be answered in sequence below.

### Questions

4. *Q.1 Do you agree or disagree with ComReg's assessment and preliminary view as set out above and ComReg's draft decision as set out at Annex 1 to designate An Post on and from 2 August 2023? Please document clearly what part(s) you are in agreement or disagreement with by providing a detailed response with supporting information / data.*
5. An Post agrees with ComReg's assessment, preliminary view and draft decision to designate An Post.
6. An Post agrees that it will best ensure the provision of the universal postal service covering the entire State with the least market distortion, meeting the reasonable needs of postal service users and in an efficient and cost-effective way.

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<sup>1</sup>ComReg 23/26, at para. 8.

7. An Post agrees that it is currently the only postal service provider in the State providing all of the required universal postal services in full and which has the network to do so.
8. An Post agrees that, as USP up to 1 August 2023, it has demonstrated its capability to provide all of the universal postal service for the entire State and to meet the reasonable needs of postal service users.
9. *Q. 2 Do you agree or disagree with ComReg's preliminary view that the designation will be for a minimum of 3 years and a maximum of up to 5 years? Please provide a detailed response with supporting information / data where appropriate to support your view.*
10. An Post disagrees with ComReg's preliminary view that the designation will be for a minimum of three years and a maximum of up to five years.
11. An Post suggests a period of twelve years, in line with the previous designation under the 2011 Postal Act.
12. As mentioned throughout the process, An Post believes a USP designation period of more than ten years to be fully in line with the position across Europe, where several countries appear to offer the equivalent of indefinite designation periods (e.g. UK, Germany, Austria, Norway and the Netherlands) or USP designation periods of ten years or more (e.g. France, Spain, Italy, Poland and Finland).
13. ComReg's Procedures state that a USP designation period can be somewhere between two to seven years. The Procedures do not have a statutory footing. The statutory requirement is that the designation period is of sufficient duration for the return on investments.
14. User needs are constantly shifting and the universal service may require innovation and changes to the postal service infrastructure in order to protect all users, particularly vulnerable users and those who are digitally excluded, into the future
15. A shorter designation period could prevent longer term planning to ensure sustainable provision of a universal service. A USP should continue to plan and invest in the continuous modernisation, adaptation and improvement of its service in order to ensure its financial sustainability while meeting evolving customer needs.
16. While changes emanating from a review of the Postal Services Directive at EU-level and a modernisation of the universal postal service specification domestically may alter the nature of the universal service provision, the designation should be sufficiently flexible to accommodate any such changes. For instance, in the absence of EU legislative change, postal providers across the EU have been adapting universal service provision to meet evolving user needs in any event. Moreover,

ComReg is already at liberty to alter the universal service specification within the current or any designation at any time. None of the above potential developments, as relied on by ComReg to justify a shorter designation period, are subject to any concrete proposals. An Post believes it would be inappropriate to base a reduced designation period on the basis of prospective but uncertain legislative change.

17. Furthermore, this is the third submission in respect of an extensive designation process. Any regulatory measures must be commensurate and proportionate with the objectives. Regulation represents a cost to the USP and it should not be more onerous than necessary. An Post is of the view that such a process would be disproportionately burdensome if it were to be carried out every three to five years.
18. Ultimately, a designation period requiring review after three years does not allow sufficient time for certainty of strategic planning for a postal service provider, whereas a designation period of at least twelve years would support a provider to respond decisively and with agility to challenges as they arise.
19. *Q. 3 Do you agree or disagree with ComReg's draft Regulatory Impact Assessment? Please provide a detailed response with supporting information / data where appropriate to support your view.*
20. An Post agrees with aspects of ComReg's draft Regulatory Impact Assessment.
21. An Post agrees with the policy decision to designate An Post as USP.
22. An Post does not agree with the assessment as to an impact on An Post of a shorter designation period. As outlined above, a shorter designation period cannot be justified by reference to changes to the postal regulatory framework which are not the subject of any proposals and may not occur.